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HOUSE JOINT MEMORIAL 11

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

JOE M STELL

FOR THE INTEGRATED WATER AND RESOURCE PLANNING COMMITTEE

A JOINT MEMORIAL

REQUESTING A STUDY TO EVALUATE AND REPORT ON THE IMPACTS ON TAX REVENUES RESULTANT FROM A RESTRUCTURE OF THE ELECTRIC UTILITY INDUSTRY TO PERMIT RETAIL COMPETITION AND ALTERNATIVE SOLUTIONS TO PRESERVE TAX REVENUES.

WHEREAS, state and local taxes on electric utilities and the sale of electricity include gross receipts, property and income taxes; and

WHEREAS, any restructure of the electric industry to permit retail competition or other substantial alternation of regulation may impact the tax revenues derived from electric utilities and the sale of electricity within the state due to lowering electricity prices, shifting the market share from more to less heavily taxed electric providers and declining values of property owned by utilities; and

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1           WHEREAS, the restructure of the electric industry to permit  
2 retail competition may result in the various electric service  
3 providers in the state being subject to different taxes  
4 resulting in different economic status among providers in the  
5 competitive environment, with taxes being increasingly borne by  
6 electric service providers attempting to compete with each other  
7 but with differing tax responsibilities; and

8           WHEREAS, tax assessment and imposition on aspects of a  
9 competitive electricity market must adhere to constitutional  
10 considerations in the regulation and impacting of interstate  
11 commerce; and

12           WHEREAS, the financial interests of the state, its  
13 political subdivisions and its residents require full and  
14 comprehensive attention to the potential impacts on tax revenues  
15 resultant from any restructure of the electric utility industry  
16 and the sale of electricity within the state to ensure that  
17 preservation of necessary tax revenues occurs;

18           NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
19 STATE OF NEW MEXICO that the local government division of the  
20 department of finance and administration, the state department  
21 of public education, the taxation and revenue department and the  
22 New Mexico public utility commission study and evaluate the  
23 reasonably projected impacts on tax revenues of any restructure  
24 of the electric utility industry to permit retail competition in  
25 the sale of electricity in the state and alternative tax

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1 structures and schemes to ensure the preservation of necessary  
2 tax revenues to the state and its political subdivisions for its  
3 residents and report their findings and recommendations to the  
4 second session of the forty-third legislature; and

5 BE IT FURTHER RESOLVED that copies of this memorial be sent  
6 to the secretaries of finance and administration and taxation  
7 and revenue, the superintendent of public instruction and the  
8 chairman of the New Mexico public utility commission.

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# State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE

FIRST SESSION, 1997

February 3, 1997

Mr. Speaker:

Your ENERGY AND NATURAL RESOURCES COMMITTEE, to whom has been referred

HOUSE JOINT MEMORIAL 11

has had it under consideration and reports same with recommendation that it DO PASS, amended as follows:

1. On page 2, line 19, after the first occurrence of "the" insert "taxation and revenue department in cooperation with the".

2. On page 2, line 21, strike "the taxation and revenue department".,

and thence referred to the TAXATION AND REVENUE COMMITTEE.

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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Respectfully submitted,

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James Roger Madalena, Chairman

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 7 For 0 Against

Yes: 7

Excused: Getty, Picraux, Ryan, Salazar, Stewart

Absent: None

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# **State of New Mexico House of Representatives**

**FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997**

**February 12, 1997**

**Mr. Speaker:**

**Your TAXATION AND REVENUE COMMITTEE, to whom has  
been referred**

**HOUSE JOINT MEMORIAL 11, as amended**

**has had it under consideration and reports same with  
recommendation that it DO PASS.**

**Respectfully submitted,**

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**Jerry W. Sandel, Chairman**

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

HJM 11 aa

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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 10 For 0 Against

Yes: 10

Excused: Gonzales, Parsons, Porter

Absent: None

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

1 HJM 11 aa

Page 9

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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March 12, 1997

9

10 Mr. President:

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Your CONSERVATION COMMITTEE, to whom has been referred

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13

HOUSE JOINT MEMORIAL 11, as amended

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has had it under consideration and reports same with

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recommendation that it DO PASS, and thence referred to the WAYS

17

& MEANS COMMITTEE.

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Respectfully submitted,

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Michael S. Sanchez, Chairman

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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

1 HJM 11 aa

Page 10

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(Chief Clerk)

(Chief Clerk)

4

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Date \_\_\_\_\_

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The roll call vote was 6 For 0 Against

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Yes: 6

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No: None

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Excused: Eisenstadt, Feldman, Kysar, Tsosie

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Absent: None

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

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March 19, 1997

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10 Mr. President:

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12 Your WAYS AND MEANS COMMITTEE, to whom has been  
13 referred

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HOUSE JOINT MEMORIAL 11, as amended

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17 has had it under consideration and reports same with  
18 recommendation that it DO PASS.

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Respectfully submitted,

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Carlos R. Cisneros, Chairman

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Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_

FORTY-THIRD LEGISLATURE  
FIRST SESSION, 1997

1 HJM 11 aa

Page 12

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(Chief Clerk)

(Chief Clerk)

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Date \_\_\_\_\_

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The roll call vote was 8 For 0 Against

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Yes: 8

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No: 0

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Excused: McSorley

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Absent: None

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